

**MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF KOONTZ LAKE REGIONAL SEWER DISTRICT
February 17, 2009**

A regular meeting of the Board of Directors of the Koontz Lake Regional Sewer District was held at 6:30 p.m., local central time, at the KLA Clubhouse, 10879 Cherokee Road, Walkerton, Indiana 46574. The meeting was called to order by Paul Warnke and all Board members were present with the exception of Tom Camire. Also present was Vicki Perry from the Indiana Rural Community Assistance Program (IRCAP) and Stephen Fralish from Wightman-Petrie. Also present was one member of the public at large, Don O'Barski. Mr. Warnke asked if there were any additions or corrections with respect to the adoption of the agenda as previously published, and there being none, upon motion by Mr. McKenna, seconded by Mr. Tilleman, the Board unanimously approved the agenda for the meeting.

Regarding the minutes of the January 20th 2009 meeting, upon a motion by Mr. McKenna, seconded by Mr. Buza, the board unanimously approved the minutes as submitted.

In The Treasurer's Report, Mr. McKenna stated that two claims have been paid since the January meeting. A claim of \$58 for USPS box renewal and a \$50 claim for IRSDA dues. The balance is in the amount of \$1,718.93. Upon motion by Mr. Tilleman, Seconded by Mr. Buza the Board unanimously approved the Treasurer's Report.

There was discussion per agenda item of the "Option to Purchase Agreement" document. Upon Motion by Mr. McKenna, seconded by Mr. Tilleman, The "Option to Purchase Agreement" was approved subject to Mr. Warnke's and Mr. Aloï's final review and would further be presented to the Fire Department with the discussed fee at the Fire Department's next meeting.

There was Board discussion, per agenda item, of the replacement of the Board Attorney. Discussion of Mr. Gifford's fees to date revealed that there were no charges for his services before Board formation. Current Billings were discussed. Discussion of Letter submitted by Mr. James N. Clevenger of his firm's desire and qualifications in being the District Board's attorney. Upon motion by Mr. McKenna, seconded by Mr. Buza, the Board unanimously approved Mr. Clevenger be retained as the Board Attorney.

There was Board discussion per agenda item regarding the publication of the "Notice of Availability of Environmental Assessment". Upon motion by Mr. McKenna, seconded by Mr. Tilleman, the Board unanimously approved for Mr. Aloï to publish the required notice twice in the Leader on 2/26/09 and again on 3/5/09 and also in the Pilot news on 2/6, 2/27, and 2/28/09 and further authorized Mr. Aloï to pay the required fees with Board funds. The 30 day

comment period would be until March 28th 2009(30 days from first publication date of 2/26) . The Environmental Assessment, as published ,will be on display in the Library as well.

Upon Arrival, Mr. Fralish from Wightman-Petrie gave a report, per agenda item, on the PER status. Mr. Fralish passed out revisions to some of the tables which were based on comments from USDA review of the PER. Mr. Tilleman went over some concerns regarding some of the differences in units of measure in some of the tables. Discussion and explanation of the word "salvage" or "residual values" ensued . Mr. Tilleman requested that a digital version of the final PER be made available to the board members so that the Board can continue to review its contents. A copy of the current PER was also given to Vicki Perry of IRCAP for her agency's review and comment. Mr. Fralish discussed that an Obligation of funds letter from USDA Rural Development would probably be the next development in the process and may come soon. After more discussion of the PER, Mr Fralish requested that a meeting between Wightman Petrie, Steve Carter, and Board Members be held to discuss a Bond Anticipation Note. The Board discussed the need for continuing our review of the PER before making any final comments. No meeting date was set.

Mr. Aloï discussed the status of the stimulus package per agenda item. The sewer project was included in a list sent to Starke county and was also forwarded on to a compilation list being made by Ball State University. The Stimulus project package will also be sent to State leaders in order to be considered for any State or Federal Stimulus package funds.

Mr. Aloï discussed the status of the HUBzone per agenda item. Mr. Aloï stated that HUBzone classification would be better suited for a small business in securing services and may not benefit a regional sewer district .

Mr. McKenna discussed the agenda item in regards to the nominations committee and process. Mr. McKenna asked the board to table this discussion until a later meeting. Mr. McKenna also submitted copies of Letters from the Starke County Board of Commissioners regarding the re-appointment of Board Members Paul Warnke and Jim Buza to serve another four year term. Mr. McKenna also requested that Mr. Tilleman's Oath of Office be submitted by Mr. Aloï to the Starke County Clerk per our policies and procedures

At this point in the meeting, the public in attendance that wished to speak were called upon. Mr. Obarski had no comments

There being no further business to come before the meeting, upon motion by Mr. Aloï, seconded by Mr. McKenna and unanimously approved, the meeting adjourned at approximately 9:35 p.m. local central time.

Robert S. Aloï, Secretary

APPROVED:

Paul Warnke, President

Tom Camire, Vice-President

Michael McKenna, Treasurer

Robert S. Aloï, Secretary

Charles J. Tilleman., Member

James Buza, Member